

## Message Text

LIMITED OFFICIAL USE

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55

ACTION TRSE-00

INFO OCT-01 EA-11 ISO-00 NEA-10 IO-14 H-03 L-03 CIAE-00

INR-10 NSAE-00 PA-04 RSC-01 USIA-15 PRS-01 SPC-03

AID-20 EB-11 NSC-10 CIEP-02 SS-20 STR-08 OMB-01

CEA-02 COME-00 FRB-02 XMB-07 OPIC-12 LAB-06 SIL-01

DRC-01 /179 W

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P 150856Z NOV 73

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9197 PRIORITY

LIMITED OFFICIAL USE MANILA 12859

USADB

FOR NAC AGENCIES

E O 11652: ADS, DECLAS 3/31/74

TAGS: EAID, EFIN

SUBJ: COST OVERRUNS OF ADB-FINANCED PROJECTS

REF: A) MANILA 12351; B) TRSY

1. AT NOV 15 MEETING ON ABOVE SUBJECT, BOARD OF DIRECTORS AGREED TO: A) PROVIDE BANK WITH STAFF REPORT AS WELL AS PRESIDENT'S REPORT AND RECOMMENDATION FOR PROPOSED SUPPLEMENTARY LOANS COVERING COST OVERRUNS; B) ALLOW THREE WEEKS' TIME FOLLOWING CIRCULATION OF DOCUMENTS FOR BOARD COMMENTS; AND C) MAKE PROCEDURE APPLICABLE TO THOSE SUPPLEMENTARY LOAN PROPOSALS WHERE COST OVERRUN IS BETWEEN WDTTPNPPP OR 10 PERCENT OF ORIGINAL AMOUNT (WHICHEVER IS LOWER) AND \$100,000 OR 5 PERCENT (WHICHEVER IS LOWER).

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2.MANAGEMENT ALSO AGREED TO MODIFY PARA 15(C)(I) OF

ADB DOC R86-73 DTD 29 OCT TO  
PROVIDE FOR REAPPRAISAL OF  
PROJECT WHEN NECESSARY.

3. SOME QUESTIONS RAISED WHETHER, AS PROPOSED IN PARA  
14(II) IN CASE OF SPECIAL FUNDS (SF) SUPPLEMENTARY LOAN,  
INTEREST RATE CHARGED ON MOST RECENT SF LOAN APPROVED  
FOR BORROWING COUNTRY PRIOR TO IMPLEMENTATION OF SF  
SUPPLEMENT SCHEME WOULD BE APPLIED OR WHETHER IT SHOULD  
BE SAME INTEREST RATE AS ON ORIGINAL LOAN. CONSENSUS  
WAS TO FOLLOW BANK'S PROPOSAL.  
PURNELL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, BANK LOANS, COMMITTEE MEETINGS, INTEREST RATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973MANILA12859  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731132/aaaaaxfz.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE  
**Office:** ACTION TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** A) MANILA 12351; B) TRSY  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 31 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <31-Jan-2002 by boyleja>; APPROVED <06 MAR 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COST OVERRUNS OF ADB-FINANCED PROJECTS  
**TAGS:** EAID, EFIN, RP, US, ADB-1  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005